



Security Council

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Letter dated 24 June 2002 from the Permanent Representative of Tunisia to the United Nations addressed to the President of the Security Council

On instructions from my Government, I have the honour to submit to you, in your capacity as President of the Security Council in June 2002, a matter relating to the requirements of Article 50 of the United Nations Charter concerning the losses incurred by Tunisia as a result of the consequences of the embargo imposed on Iraq by the Security Council since 1990.

Tunisia has been bringing this matter to the attention of the Security Council since 1992, and wishes to do so again, given that the consequences of the sanctions imposed on Iraq for the past 11 years have accumulated and have damaged Tunisia's economy. The value of the losses suffered by my country up to the end of May 2002 as a result of the embargo against Iraq amount to approximately \$7 billion.

The repercussions of 11 September 2001 have exacerbated the effect of those losses for the Tunisian economy and have caused the Government of Tunisia to redouble its efforts and seek means capable of easing the burden caused by these repercussions. Since the international economic situation has become critical, the Tunisian Government feels that it is imperative to bring the matter to the attention of the Security Council so that the latter can enable it to overcome these problems within the framework of its trade with Iraq.

In addition, the Tunisian economy has also suffered other losses as a result of the continuing drought and its adverse consequences for the revenue of the agricultural sector and the decline in revenue from tourism, which is an important source of income for the country and provides the livelihood for large segments of the population. Furthermore, the development process requires additional efforts to maintain rates of growth and exports and to secure sources of energy and guarantee that they are available at fixed prices.

A large number of Tunisian companies have been particularly badly affected by sanctions, since Iraq provides a vital and indispensable market for Tunisian products and services and thus for the national economy. The decline in Tunisian exports to Iraq has created enormous difficulties for my country, which are being exacerbated especially by the fact that Tunisia was linked to Iraq before 1990 by a substantial volume of trade within the context of a long-term framework agreement involving the exchange of Iraqi crude oil for Tunisian goods and products.



It is worth noting in this connection that satisfying the demand for compensation is not in itself a guarantee that the Tunisian companies damaged by the sanctions regime in the important Iraqi market will prosper; besides, compensation is confined to past losses.

Today many Tunisian companies exporting to Iraq under the oil-for-food and medicine programme have problems in executing a large number of the trade contracts concluded with Iraq as a result of the suspension measures in force in the sanctions committee. Many of these measures concern very costly contracts, entailing breakdowns in the agreements or a failure to execute them within the time stipulated; this leads to substantial losses for the companies concerned and limits prospects for support for their commercial activities.

Thousands of Tunisians have been unable to return to continue their work in Iraq owing to the embargo, and a large number of Tunisian experts in various fields have lost the opportunity to work in that country for the same reason.

The accumulation of all these consequences of the embargo imposed on Iraq is bound to have an adverse effect on a developing country such as Tunisia, which is doing everything within its power to promote its national economy and is steadfastly seeking to meet the challenges of growth and development.

The Republic of Tunisia requests the Security Council to take note once more of the very serious impact of the sanctions and the challenges which the Tunisian national economy continues to face since the imposition of the embargo regime on Iraq. It insists in this connection on the necessity for you to understand its urgent and vital need to maintain its national interests in cooperation with Iraq on the basis of Article 50 of the United Nations Charter.

(Signed) Nouredine Mejdoub